

A FOUR YEAR PERSPECTIVE

1978 - 1982

Submitted to:

LIVERMORE CITY COUNCIL
Livermore, California

INSTITUTE OF GOVERNMENTAL
STUDIES LIBRARY

DEC 7 1982

UNIVERSITY OF CALIFORNIA

By:

LEE HORNER
City Manager

CITY OF LIVERMORE

DATE: September 17, 1982

Honorable Mayor
TO: and Members of the City Council

FROM: Lee Horner, City Manager

The recently completed budget preparation, review, and adoption process has made us all painfully aware that we are going to have to develop some new revenue sources in order to be able to balance future budgets. Whenever we talk about new and/or additional sources of revenue, however, we inevitably hear comments that we should first reduce expenditures, trim the "fat out of government", eliminate non-essential services, and economize as much as possible. The dilemma we now find ourselves in is that we have done all of these things and we will still be faced with a certain amount of skepticism that we have not accomplished as much as we should have.

You are well aware that we balanced our budget only by eliminating all capital expenditure requests, and by telling all departments that their spending levels for 1982-83 could not exceed 1981-82 levels. Nothing was allowed for inflation. Vacant positions have not been filled, and layoffs are almost a certainty in the near future.

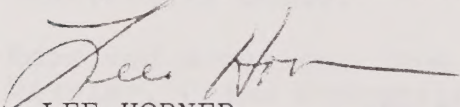
To be able to properly respond to the comments we will receive when we begin to talk about new and/or additional revenue sources, I think it is important for the Council and the citizens of Livermore to understand just what steps have been taken to attempt to provide municipal services utilizing existing revenue resources. The period of time I have chosen to cover in this report is approximately the last four years. I chose this time period for the following reasons:

1. It is the immediate post-Proposition 13 era. As a result of actions taken by the State legislature since the passage of Proposition 13, the revenues that we initially received to offset the loss of property taxes have almost all been eliminated.
2. During this time period the Federally-sponsored Comprehensive Training and Employment Act (CETA) program has been significantly cut back. For Livermore, this has meant that we have lost the services of 54 full-time personnel who were employed at various tasks and positions throughout our municipal organization. The work performed by our CETA personnel has had to be absorbed by existing staff since we have been unable to replace these positions.

3. There has been a significant down-turn in the economy which has affected revenues and growth. Less building activity has meant slower assessed valuation growth and corresponding revenues, and also slower growth in our building and construction permit-related revenues. We have also experienced a slower growth in sales tax and business license tax revenues. Added to this is the fact that we have lost several key retail businesses which contributed a substantial amount of sales tax dollars.
4. Inflation has been running at a double-digit pace and has just recently begun to slow down. The costs of purchasing materials, of utility expenses, of meeting personnel needs, have exceeded the revenues we collect to provide for these costs. This has resulted in a drain upon our reserve funds and a shifting of priorities away from capital improvement projects.

The report examines, on a City-wide basis, what actions have been taken to cope with the service demands placed upon us--demands which have increased during the past four years.

Respectfully submitted,



LEE HORNER
City Manager

LH/cm

1. Cost savings techniques that have been or are being undertaken.

<u>Item</u>	<u>Annual Cost Savings</u>	<u>Annual Labor Savings</u>
<u>Planning and Building Departments</u>		
Consolidated four separate applications into one application form, thus reducing the time required to issue and file permits.	\$4,200	500 hours
Implemented a system so that field inspectors have established routes. This eliminates driving from one area to another area of the community.	7,200	500 hours
Contracted with a former inspector, now retired, to handle inspections on major residential projects such as Lexington Homes and Vineyard Village. As a result, additional personnel have not been hired.	1,000	
Prepared pamphlets for public distribution explaining how to apply for permits. This has reduced the amount of time needed to answer questions by the public.	6,600	400 hours
Planning Department is using word processing machine to prepare duplicate letters and staff reports.	1,300	150 hours

Police Department

Sought and received funds from fraternal organization to help provide for a Canine Unit.	2,000	
Sought and received funds from civic groups for Vu-Phone for assisting deaf people to communicate with Police Dispatch Center.	1,850	
Sought and received funds from service club to augment Bicycle Safety Program.	3,000	
Sought and received funds from service club to augment Senior Citizens Home Security Federal Grant Program.	4,621	
Sought and received funds from service club to augment Cardiopulmonary Resuscitation Program (CPR).	950	

<u>Item</u>	<u>Annual Cost Savings</u>	<u>Annual Labor Savings</u>
<u>Police Department (Cont'd)</u>		
Deleted ALFA indexing of witnesses.	\$10,000	960 hours
Removed one teletype and one computer terminal.	1,000	
Replaced large copying machine with two smaller units.	2,000	
Deleted automobile accident damage investigations/reports.	9,250	720 hours
Closed jail; booking prisoners directly into County's Santa Rita facility.	22,000	1,720 hours
Transferred the handling of all injury/sick call reports to the Fire Department.	5,250	375 hours
Implemented energy savings recommendations from PG&E.	3,600	
Received donation for printing of Computer Feasibility Study.	1,200	
Received donations from Crime Prevention Display, Crime Prevention Program coloring books, office equipment, youth programs, and citizen band radios.	7,150	

Finance Department

Converted part-time seasonal help to student help for processing semi-annual dog license renewals.	800	
Reviewed classification of cashier and changed from Account-Clerk to entry-level position of Typist-Clerk.	1,700	
Eliminated annual ambulance operating subsidy for local share of operating costs and transferred uncollectible accounts receivable to the County.	7,500	
Reduced liability insurance premiums by a combination of favorable market factors and by establishing and annually increasing our Self-Insured Retention Fund.	27,000	

Fire Department

Converted fire apparatus units from gasoline to diesel fuel.	3,000	
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<u>Item</u>	<u>Annual Cost Savings</u>	<u>Annual Labor Savings</u>
<u>Fire Department (Cont'd)</u>		
Reduced the use of natural gasoline for heating apparatus room.	\$1,000	
Started in-house servicing and repair of self-contained breathing apparatus.	1,000	
Started in-house repair of small engines and hydraulic resource tools.	1,000	
Reduced emergency off-duty recall budget by 50% by purchasing large diameter supply hose, large attack hose lines, supplying increased flow nozzles and automatic hydrant valves.	5,000	
Budget administration process expanded to provide cost-saving incentive for each Station Captain and Fire Station of 50% of their annual budget savings up to a maximum of \$500. The \$500 can then be used for Station equipment of their choice.	8,350	
<u>Public Works Department</u>		
Replaced several high-maintenance labor intensive turfed areas with low-maintenance ground cover and shrubs.	22,000	1,800
Conversion of several Police patrol cars to propane gasoline.	3,000	
Careful monitoring of domestic water system demand at the Springtown Golf Course has avoided an additional water surcharge.	500	
Replacement of old broom-type sweeper with vacuum type.	3,000	50
Installing digester gas energy recovery facility at the Water Reclamation Plant to provide vehicle fueling and heat energy recovery systems.	20,000	
Revised pumping and reclaimed water production schedules to take advantage of PG&E's "time-of-day" metering rate schedule.	30,000	

<u>Item</u>	<u>Annual Cost Savings</u>	<u>Annual Labor Savings</u>
<u>Public Works Department</u> (Cont'd)		
Presently investigating the possibility of developing a wind project to produce energy on City property north of the Springtown area.	Unknown	
Instead of contracting out for individual projects we now assemble several smaller projects into one large project.	Unknown	
<u>Library Department</u>		
Received donation of used vehicle for departmental transportation needs.	\$4,500	
<u>City Clerk</u>		
Initiated a system for purging and storing inactive records, and also is microfilming the files from all departments. Building and Planning files have been completed and Personnel files are presently being done. Has eliminated need to purchase additional filing cabinets.	4,500	
City Council agenda packets are now copied in a duplex style.	1,440	50
Installed City Clerk's Records Management System. All City departments now file under the same numerical-color coded system.		100
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TOTALS	\$238,961	7,325

2. Organizational changes that have been undertaken or are being undertaken to provide for a more efficient way to deliver services or to cope with declining funds.

Planning and Building Department

Simplified and reduced the time in issuing Home Occupation Permits. The permits are no longer referred to departments for comments, as standards are established for the permits. Has effected a savings in time and money.

Variances are acted on by the Zoning Administrator, and routing referrals from Alameda County are handled by the Chairperson of the Planning Commission after consultation with staff. Previously, the Planning Commission acted on these items which required more time and reports. Has effected a savings in time and money.

The commercial zones in the Zoning Ordinance have been amended to allow the staff to approve more uses. Previously, more uses were considered by the Planning Commission as Conditional Use Permits which required more time and reports. Has effected a savings in time and money.

Division Clerks now issue minor permits for repairs, equipment replacement, spas, and solar installations. Prior to this, the Building Inspectors issued these permits and this change freed up the Inspectors to spend more effective time in the field. Has effected a savings in time and money.

Police Department

Established set business hours for the front office; no longer doing routine business 24 hours a day--allowing clerks more time for duty tasks.

Instituted microfilming program for all required records for rapid retrieval and space saving.

Established a unit with the Police Volunteer Reserves, the Pro-Techs, to provide no-cost private industry expertise to the Police Department in areas of planning, photography, chemical testing, computer availability, and other similar services.

Established a citizens volunteer patrol unit at the Springtown Golf Course to curtail trespassing, vandalism, and non-paying golfers at no cost to the City.

Diverted one Officer from patrol and reassigned as full-time Training Manager for our 76 employees to assure high productivity and expertise while relieving potential vicarious liability for the City.

Instituted a program of patrol personnel working a nine-hour day, five-day week, and rotating three days off. This has allowed maximum patrol deployment when needed; maximum street coverage at shift changes; flexibility for task force assignments; minimum employee disruption; 30 minutes daily briefing and roll call training time; lessened overtime costs; consistent supervision; maximum use of Sergeants, Lieutenants; workable spans of control and balanced expertise throughout patrol watches.

Instituted annual three-day Management Team Building Workshops sponsored by the State Peace Officers' Standards and Training to identify and resolve problems and enhance productivity.

Established a Citizens' Crime Prevention Group to advise department on Police crime prevention tasks. This group has been involved with Neighborhood Alert, Operation Identification, elementary school coloring book, community survey for long-range Police planning, obtaining private donations to support programs and reviewing programs and attainment evaluations.

Developed accurate data to measure productivity, assist in pro-active crime prevention stance and integrated into long-range goals, personnel performance standards, objectives for program budget and prioritized tasks.

Reduced from three to two Divisions, consolidating Investigations with Field Operations, deleting one Captain, and adding one Lieutenant, with annual savings of \$4,344 per year.

Reclassified one Police Captain to Civilian Business Manager, saving \$4,308 per year, and gaining advantage of a trained business manager to run the Services Division in a more efficient and effective manner.

Transferred three desk officers to street patrol, gaining approximately 5,880 hours of additional crime prevention suppression service.

Finance Department

Implemented a program of depreciation cost accounting for municipal enterprise fixed assets. This has improved our accounting techniques and is in conformity with the latest accounting requirements for governmental entities.

Fringe benefit and leave hours accounting has been refined to provide for full cost accounting by program. Cost recovery of these elements funded under Federal grant programs has been facilitated.

Began participation in the Local Agency Investment Fund. Daily transactions for short-term investment has nearly eliminated non-interest earning monies and maximized investment income.

Fire Department

Instituted flexible manning and assumption of greater responsibility by senior firefighters and acting officers. Hiring temporary firefighters to offset disability-related overtime costs and utilization of the Fire Chief and Assistant Chief to fill in for absent Battalion Chiefs has effected a substantial reduction in overtime costs.

Public Works Department

Eliminated the position of Maintenance Mechanic in the Parks and Trees Division, and the maintenance of all parks and trees equipment was transferred to the central garage facility.

Eliminated the position of Parks and Trees Superintendent. The responsibilities assigned to this position were transferred to, and combined with, the duties of Maintenance Superintendent.

Implemented a system of dispatching one of the two on-duty Water Reclamation Plant Operators to investigate emergency sewer complaints. A significant improvement in response time to citizen complaints has been realized and some overtime costs have been avoided.

Library Department

Labor-intensive processes were eliminated, condensed, or replaced by more efficient and effective procedures. Cataloging, acquisitions, overdue, reference service, services to homebound, serials control, were all scrutinized and reorganized.

Controls were reevaluated in Library service. The overdue procedures were reduced to the lowest possible labor-intensive levels without automating.

Installed a security checkout system, inventoried book collection, and a rechecking of the validity of Library cards was instituted. This has resulted in more knowledgeable control of Library materials.

Volunteerism has been strongly emphasized and has proven to be one of the greatest assets of the Library. The organization of the Volunteer Associates Program has enabled the Library to remain open 63 hours a week, more hours than any Library in the Tri-Valley area. Volunteers have been utilized in all units of service in the Library, enabling the enlargement of a program to seniors, a program to children, and specialized activities during the year.

The Friends of the Livermore Public Library was organized as a result of funding cuts. One primary purpose of the Friends group is to provide, through gifts, certain tangible items no longer available due to budgetary constraints. The Friends group has provided such items as

a microfilm reader/printer, 16mm projector, 35mm still camera, Apple II Plus computer, new levelor blinds for the meeting room, and a photo mural for the lobby.

Reassignment of various duties and tasks within the staff has enabled the Director of Library Services to embark upon the first phase of the Library's marketing process in the study of the community and the assessment of the rate of satisfaction of users of the Library. It has also saved salary and benefit costs.

General Administration

The position of Director of Economic Development was combined with the position of Assistant City Manager. This has allowed the City Manager's office to become more directly involved in coordinating the functions of economic and community development, and has also saved salary and benefit costs.

Public business hours at City Hall were changed from 8:00 a.m. - 5:00 p.m. to 9:00 a.m. - 5:00 p.m. This change has allowed the limited City Hall staff time to catch up on paper work and other tasks without interruption from the general public.

A Development Services Group, composed of department managerial representatives, has been organized to provide a vehicle for technical review and analysis of major development of projects. This process has enabled departments to be aware of each other's concerns, and has also saved the developer time and money by effecting a more thorough and quicker review of his project.

Labor negotiations were centralized in the City's Personnel Department. This has allowed better use of the Personnel staff, and has saved money since the City no longer has to pay for contractual labor negotiation services.

3. Consolidation efforts with other public agencies that have been undertaken or are being undertaken to provide for a more effective way to deliver services or to cope with declining funds.

Police Department

Instituted annual Advanced Officers' Training with Pleasanton Police Department.

Consolidated Emergency Response Team with Pleasanton Police Department, saving about 435 training hours per year, valued at \$5,500.

Consolidated quarterly firearms' training with Pleasanton Police Department.

Initiated study of consolidated public safety radio dispatching with the County of Alameda--held up implementation at the request of the City of Pleasanton.

Consolidated quarterly auctions with the County for an annual savings of \$3,000.

Fire Department

Partial consolidation with private ambulance operation. Since 1979 the City has been housing the ambulance operation at Fire Station No. 2, which has generated \$5,400 in annual revenues to the City. This joint operation has increased efficiency in emergency medical patient care and rescue teamwork, as well as reducing the number of unnecessary and duplicated runs. A further benefit of this arrangement has been a reduction in the cost of medical supplies and equipment of about \$250 per year.

The department has made repeated attempts to work out a consolidation with the Alameda County Fire Patrol. Our proposal conservatively estimated an annual savings of \$200,000 per year to be evenly divided between the City and the County. The County has not yet seen fit to authorize the consolidation efforts to move ahead.

The department has participated in several studies with the Lawrence Livermore National Laboratory on partial, complete dispatch consolidation. Even though we have been unable to reach a mutually beneficial agreement, we continue to work with them to sophisticate our long-standing "automatic mutual aid" contract--an extremely cost effective operation for both agencies.

The department is presently formulating a proposal to provide contractual fire protection services to the V.A. Medical Center which could generate approximately \$50,000 in annual revenues.

Library Department

Joined the Bay Area Library Information System (BALIS), a cooperative Library system. This has provided approximately \$30,000 savings in annual book purchases. Additionally, BALIS has provided us with collection development information, in-service training opportunities through workshops, exchanges, and tours of Bay Area libraries, and the intangible benefits of information exchange and exposure to new ideas.

Extended public library service into the community in cooperation with the Livermore Valley Joint Unified School District during the past two Summer seasons. This marks the beginning of joint use of facilities, staff, and materials to fill the on-going informational needs of the community.

General Administration

Initiated a cooperative program with the City of Pleasanton, the Dublin-San Ramon Services District, and the Lawrence Livermore National Laboratory to jointly recruit for and test all firefighter applicants. This process results in one eligibility list which is used by all parties.

Initiated joint studies with the Cities of Pleasanton, Benecia, Davis, and Woodside, and the Dublin-San Ramon Services District to determine the feasibility of having common electronic data processing programs. If studies are positive, considerable savings in software applications will be realized.

Handle various personnel matters for newly incorporated City of Dublin which provides us with a small amount of additional revenue.

4. Personnel reductions during the past four years.

Planning and Building Departments

There has been no reduction in permanent personnel.

Police Department

There has been no reduction in permanent personnel.

Finance Department

Has experienced the net loss of one full-time position.

Fire Department

There has been no reduction in permanent personnel.

Public Works Department

This department has experienced a reduction of five full-time personnel in the Streets Division, and two full-time personnel in the Parks and Trees Division. In addition, the Engineering Division has lost four full-time personnel.

Library Department

This department has experienced a reduction of one full-time position.

City Clerk's Department

There has been no reduction in permanent personnel.

General Administration

Has experienced the net loss of two full-time positions.

Those departments that have not experienced any reductions in permanent personnel have lost their CETA personnel. As pointed out earlier, we have lost the services of 54 full-time CETA personnel.

5. Services and/or programs that were being provided prior to 1978 that are no longer being provided.

Planning and Building Departments

Have transferred the inspection of mobile home parks to the State.

Fire Department

For the past three years we have had to eliminate the weed abatement program. We do plan to reinstitute the program in the future in such a manner that we will be compensated by revenues generated by the program.

Public Works Department

Routine street tree trimming has been eliminated. Tree trimming is now done only in emergency situations and to facilitate other City projects such as the overlay program.

Street sweeping has been reduced to the extent that the residential areas of the City can only be covered three times a year and the downtown area about once a month.

The Engineering Department no longer does traffic engineering as a regular function. Traffic engineering studies, reports, etc., are done only when we can free up one of the Engineering personnel for this work. When a traffic analysis is needed for an Environmental Impact Report, it is done through contract with an outside consultant.

The Engineering Department no longer does soils testing. This is now done through contract with an outside consultant.

Public Works inspection services on large projects are done through contract with outside consultants.

Design work on enterprise fund projects--such as Airport projects--is now done through contract with outside consultants.

6. New or additional services or programs mandated by law or Council action, or by the needs of an expanding community, implemented since 1978.

Planning and Building Departments

Requirements established by the State in the administration of CEQA have increased the departments' workload. The State's comments on City Environmental Impact Reports have expanded over the past years which require additional time by the staff to respond to comments.

All tentative subdivision maps require notification.

The State has enacted Handicapped Standards which will require additional plan check time.

The enactment of the City's growth management plan, the Residential Development Policy, requires additional staff time--approximately 290 hours.

Finance Department

Proposition 4 (Gann Initiative) requires complex and detailed calculations to monitor the expenditure limitation and appropriation of all proceeds of taxes.

The Self-Insured Workers' Compensation Program has greatly increased the number of financial transactions with a claims administration firm while adding to our interest income with earnings from the Trust Fund.

Program budgeting has increased the number of operating budgets, adding to the budgeting and accounting time involved, while providing more sophisticated cost accounting and greatly improved definition of the various municipal activities.

The RIDEO transit and paratransit systems have specific accounting, auditing, and reporting requirements which require significant amounts of time from the staff.

Redevelopment Agency financial activities are currently at a modest level, but are expected to significantly increase when tax increment funds become available.

Newly formed special assessment districts have increased in dollar volume, complexity and accounting requirements; audit requirements have been expanded; assessments on undeveloped lots lead to more parcel splits and assessment segregations.

Police Department

State and Federally mandated reporting on crime data.

State mandated telephone and radio communication records (tapes) retained for 100 days.

State mandated processing fees for prints and permits.

Occupational and Safety Health Act (OSHA) mandated reporting on all community occupational injuries.

State mandated first aid and cardiopulmonary resuscitation training.

State mandated program for City-paid school crossing guards at school district prerogative.

Court mandated program for City to supply public safety equipment to officers.

State mandated program for City to pay cost of rape victim and prisoner medicals.

State mandated process for investigating and reporting citizen complaints against Police personnel.

State mandated blood alcohol test costs paid by the City for drunk driver arrests--some costs now reimbursed.

State mandated obliteration of one ounce or less of marijuana records of arrest.

State mandated Police Officers Bill of Rights.

State mandated release of reports to press and citizens.

Fire Department

The reporting requirements to the State Fire Marshal's office of fire incidents, arson, fireworks, and special property reports continue to escalate.

Occupational and Safety Health Act (OSHA) mandated protective clothing and equipment costing approximately \$40,000. Under SB 90 reimbursement we have been able to recover less than \$5,000.

As public awareness of the dangers of hazardous materials increases, the requests for information and potential hazard identification from the Fire Department increases proportionately.



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Public Works Department

An Environmental Protection Agency (EPA) required pre-treatment program which is presently being developed will be more labor intensive than our present industrial waste program.

A smoke testing program has been undertaken to reduce infiltration/inflow, prevent rodent entry into the sewer system, and eliminate illegal connections to the system.

The sewer system televising program has been expanded from one month to 12 months per year. This program now includes documentation of the total sewer systems condition.

General Administration

Redevelopment activities are requiring a significant amount of time--particularly the time of the City Manager and the Assistant City Manager. Certain administrative costs are now being charged against future redevelopment funds.

Special assessment districts and the Mortgage Revenue Bond Program require a certain amount of staff time to oversee and monitor. Additional time must be spent with developers, bond counsel, financial consultants, etc.